

BEFORE THE DEPARTMENT OF JUSTICE  
OF THE STATE OF MONTANA

In the matter of the proposed amendment )	NOTICE OF PUBLIC HEARING
of ARM 23.16.209, 23.16.2102, and )	ON PROPOSED AMENDMENT
23.16.2105, concerning possession )	
and display of antique slot machines, )	
approved accounting and reporting )	
system availability date, and general )	
specifications of approved automated )	
accounting and reporting systems )	

TO: All Concerned Persons

1. On September 13, 2007, at 9:00 a.m., the Montana Department of Justice will hold a public hearing in the conference room at the Gambling Control Division, 2550 Prospect Avenue, Helena, Montana, to consider the proposed amendment of the above-stated rules.

2. The Department of Justice will make reasonable accommodations for persons with disabilities who wish to participate in this public hearing or need an alternative accessible format of this notice. If you require an accommodation, contact the department no later than 5:00 p.m. on September 6, 2007, to advise us of the nature of the accommodation that you need. Please contact Rick Ask, Gambling Control Division, 2550 Prospect Avenue, P.O. Box 201424, Helena, MT 59620-1424; telephone (406) 444-1971; Fax (406) 444-9157; Montana Relay Service 711; or e-mail [rask@mt.gov](mailto:rask@mt.gov).

3. The rules proposed to be amended provide as follows, stricken matter interlined, new matter underlined:

23.16.209 DISPLAY OF ILLEGAL GAMBLING DEVICES AND ANTIQUE  
ILLEGAL GAMBLING DEVICES (1) through (4)(c) remain the same.

(5) To qualify as an antique gambling device, a slot machine must have been manufactured more than 25 years prior to the date of possession, may be restored but must possess mostly original cabinet parts and castings, the mechanical mechanism must be substantially original in parts and design, and the machine must display its original serial number or show evidence where the original serial number once existed but was removed.

AUTH: 23-5-115, MCA  
IMP: 23-5-152, 23-5-153, MCA

RATIONALE AND JUSTIFICATION: This proposed amendment is intended to clarify what constitutes an antique slot machine. The division was requested to opine whether restored slot machines that contain new mechanical workings could constitute antique illegal gambling devices such that they could be legally possessed

and displayed under the law relating to antique gambling devices. Upon inspection of renovated and remanufactured slot machines for sale, review of other states' laws dealing with antique slot machines, and after requesting and considering input of licensed antique gambling device dealers in Montana, the division proposes these amendments to specify what components are necessary for an antique slot machine to qualify as an antique illegal gambling device.

23.16.2102 APPROVED ACCOUNTING AND REPORTING SYSTEM AVAILABILITY IN RELATION TO MULTI-GAME AGREEMENTS (1) For purposes of determining when an approved automated accounting system is available under the terms of multi-game video gambling machine agreements, the availability date shall be January 1, 2008, which is a date no not sooner than 180 days after the department has approved at least two commercially available systems under ARM 23.16.2105 for tier II systems, and when tax reporting is was available through the department's internet web site.

AUTH: 23-5-621, MCA  
IMP: 23-5-637, MCA

RATIONALE AND JUSTIFICATION: These proposed amendments logically follow the existing rule's definition of an availability date as being no sooner than 180 days after approval of at least two commercially available reporting systems. Because two such systems became commercially available before July 1, 2007, the division proposes to declare January 1, 2008, as the relevant triggering date under the terms of multi-game agreements for machine owners to electronically report video gambling machine tax information to the state.

23.16.2105 GENERAL SPECIFICATIONS OF APPROVED AUTOMATED ACCOUNTING AND REPORTING SYSTEMS (1) through (2)(a)(i)(I) remain the same.

(J) soft meter total cents in, total cents played, total cents won, total cents paid; ~~and~~

(K) accounting system software version; and

(L) Program ID;

(ii) through (b)(i)(O) remain the same.

(P) number of games won if available; ~~and~~

(Q) accounting system software version; and

(R) Program ID if changed since last transmission.

(3) through (6) remain the same.

AUTH: 23-5-115, 23-5-621, MCA  
IMP: 23-5-631, 23-5-637, MCA

RATIONALE AND JUSTIFICATION: These proposed amendments will require the video gambling machine's program identification data to be reported to the division under the approved automated accounting and reporting systems via an Excel Bulk Change spreadsheet, along with the other information already required under this

rule. Some video gambling machines report credits in nickel or quarter denominations, while most modern video gambling machines report credits which equal a penny. This program identification information is necessary to allow the division to identify the correct credit denomination for the individual machines reported in GenTax, and this will assist in the prompt and accurate calculation of taxes.

4. Concerned persons may submit their data, views, or arguments either orally or in writing at the hearing. Written data, views, or arguments may also be submitted to Rick Ask, Gambling Control Division, 2550 Prospect Avenue, P.O. Box 201424, Helena, MT 59620-1424; Fax (406) 444-9157; or e-mail [rask@mt.gov](mailto:rask@mt.gov), and must be received no later than September 20, 2007.

5. Cregg Coughlin, Assistant Attorney General, Gambling Control Division, has been designated to preside over and conduct the hearing.

6. The Department of Justice maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this agency. Persons who wish to have their name added to the list shall make a written request which includes the name and mailing address of the person to receive notices and specifies that the person wishes to receive notices of rules regarding the Crime Control Division, the Central Services Division, the Forensic Sciences Division, the Gambling Control Division, the Highway Patrol Division, the Law Enforcement Academy, the Division of Criminal Investigation, the Legal Services Division, the Consumer Protection Division, the Motor Vehicle Division, the Justice Information Systems Division, or any combination thereof. Such written request may be mailed or delivered to Rick Ask, 2550 Prospect Avenue, P.O. Box 201424, Helena, MT 59620-1424; Fax (406) 444-9157; or e-mail [rask@mt.gov](mailto:rask@mt.gov), or may be made by completing a request form at any rules hearing held by the Department of Justice.

7. The bill sponsor notice requirements of 2-4-302, MCA, do not apply.

By: /s/ Mike McGrath  
MIKE McGRATH  
Attorney General, Department of Justice

/s/ Jon Ellingson  
JON ELLINGSON  
Rule Reviewer

Certified to the Secretary of State August 13, 2007.